

	CHEVRON		SHELL		TOTAL	
Year	Gifts	Value	Gifts	Value	Gifts	Value
2002	1	\$ 40			1	\$ 40
2003	5	\$ 108			5	\$ 108
2004	5	\$ 73	1	\$ 16	6	\$ 89
2005	4	\$ 90	1	\$ 16	5	\$ 106
2006						
Total	15	\$ 311	2	\$ 32	17	\$ 343

Our review of Chevron representatives' expense reports disclosed that Vigil was listed 15 times between 2003 and 2006. The entries reflected meals and drinks only.

Our review of Shell representatives' expense reports disclosed that Vigil was listed two times between 2004 and 2006. The entries reflected meals only.

When interviewed, Vigil told investigators that while he did accept meals, he did not attend any industry-sponsored holiday parties or skiing events. He admitted being present at the two meals listed on Shell's expense reports. Vigil essentially said he had never been asked by oil company officials for confidential RIK information, and he was not aware of any other RIK employees providing, or being asked by oil company officials to provide, confidential business information.

He admitted that he likely violated the \$50 per annum gift threshold in 2003 and the \$20 per occasion gift threshold in 2005. However, there were three entries on Chevron's expense reports for which Vigil denied being present.

We interviewed Alan Raymond of Shell regarding Vigil. A review of his expense reports indicated that on October 20, 2005, he bought dinner and drinks for Vigil and two other RIK employees for a total of \$79.60.

When we interviewed the employee from Hess, he said his expense account reflected that Vigil was present with other RIK and industry employees during a social event at the Flying Saucer Restaurant in Houston on September 9, 2003. His expense was listed as \$57.55.

6. Donna Hogan

Donna Hogan, an RIK oil marketing specialist, has been employed by MMS since 1989. She has worked in the RIK Division since 2003.

A review of ethics training files disclosed that Hogan received ethics training in 2003, 2004, and 2006. A review of Hogan's cash awards from MMS for 2002 through 2006 revealed a total of \$7,869.

Through interviews and a review of oil and gas company expense records, we found that between 2004 and 2006, Hogan accepted 13 meals valued at approximately \$249. Industry representatives paid for these meals, as follows:

	CHEVRON		GWEC		SHELL		TOTAL	
Fiscal Year	Gifts	Value	Gifts	Value	Gifts	Value	Gifts	Value
2004	6	\$99			1	\$16	7	\$115
2005	3	\$50	1	\$55	1	\$16	5	\$121
2006			1	\$13			1	\$13
Total	9	\$149	2	\$68	2	\$32	13	\$249

Our review of Chevron representatives' expense reports disclosed that Hogan was listed nine times between 2004 and 2006. The entries reflected meals and drinks only.

Our review of GWEC representatives' expense reports disclosed that Hogan was listed on the reports two times in 2006. These entries reflected meals only.

Our review of Shell representatives' expense reports disclosed that Hogan was listed two times between 2004 and 2006. The entries reflected meals.

Our investigation also disclosed that Hogan received a ticket to a country music concert by Toby Keith from Burlington Resources. *Agent's Note: We were able to determine that the ticket price range of this concert was \$26 to \$5,885.*

Hogan told investigators that she did not attend any industry-sponsored holiday parties or ski outings. She said she would pay for her share of meals and reimburse oil company employees who paid the total bill with a corporate credit card. She said she may not have followed ethics rules on occasion but never exceeded the \$20 and \$50 gift limits by more than a few dollars. Hogan disputed the average amounts assigned in the expense chart, saying she would never eat expensive meals while on travel or at work functions. She claimed, "I don't feel like I have gone out blatantly and been [lavished] by the companies." Hogan specifically denied that she violated any ethics rules in either 2006 or 2007.

When questioned about the concert ticket, Hogan stated that it was given to her at no charge and that she assumed the ticket had been purchased by Burlington Resources. She told the interviewing agents, "I didn't really think about it."

Don Hamilton from GWEC confirmed that his expense reports showed that he bought two meals for Hogan in 2006 for a total of \$68.

Alan Raymond from Shell recalled buying Hogan dinner and drinks in Houston on October 20, 2005, along with several other RIK employees. His expense report showed a \$79.60 charge.

7. Lawrence Cobb

Lawrence Cobb, RIK's credit manager, has been employed by MMS since 1983. He has been assigned to the RIK Division since 2000.

A review of ethics training files disclosed that Cobb received ethics training in 2001, 2004, and 2006. A review of Cobb's cash awards from MMS for 2002 through 2006 revealed a total of \$9,128.

Through interviews and a review of oil and gas company expense records, we found that between 2004 and 2006, Cobb accepted nine meals/drinks valued at approximately \$236. These meals/drinks were paid for by industry representatives, as follows:

	CHEVRON		GWEC		TOTAL	
Fiscal Year	Gifts	Value	Gifts	Value	Gifts	Value
2004	4	\$30			4	\$30
2005			2	\$42	2	\$42
2006			3	\$164	3	\$164
Total	4	\$30	5	\$206	9	\$236

Our review of Chevron representatives' expense reports disclosed that Cobb was listed four times, all on 1 day, at Jillians, a restaurant in Denver. Our review of GWEC representatives' expense reports disclosed that Cobb was listed five times, all for meals.

When interviewed, Cobb admitted frequent social contacts with Rob Saunders of GWEC. He also did not dispute the accuracy of Saunders' expense account noted above and further said, "No, it's probably a violation on my part." Cobb said Saunders never asked for him to execute any official act because of the meals, and Cobb never offered anything in exchange for receiving the meals.

Cobb said he remembered being at Jillians with the Chevron representatives and remembered them buying him a couple of drinks. He said the Chevron representatives may have also ordered themselves food.

We interviewed Rob Saunders, Assistant Treasurer, GWEC. As treasurer, Saunders said he dealt with credit and securities issues for GWEC and said his main contact at RIK was Cobb. He confirmed that he purchased meals for Cobb and estimated Cobb's portion as identified in the expense table above.

Saunders stated that he routinely took individuals to dinner from companies that GWEC bought crude oil from to build rapport. By building rapport, Saunders said he felt the individuals were more comfortable assigning open credit to GWEC in conjunction with the oil that GWEC purchased. He said meal purchases were merely a way to say GWEC appreciated doing business with companies. Saunders said on one or two occasions, Cobb may have purchased meals valued at approximately \$10 for him.

8. Karen Krock

Karen Krock, a former RIK oil marketing specialist, has been employed by MMS since 2000. She worked as an RIK oil marketing specialist from 2002 through 2004; then she moved to MMS's Offshore Minerals Management Office in New Orleans as a management analyst.

A review of ethics training files disclosed that Krock received ethics training in 2000, 2002, 2003, and 2006. There were no cash awards from MMS given to Krock from 2002 through 2004.

Through interviews and a review of oil and gas company expense records, we found that during 2003 and 2004, Krock accepted 10 meals/drinks valued at approximately \$198. These meals/drinks were paid for by industry representatives, as follows:

	Chevron		Shell		Total	
Fiscal year	Gifts	Value	Gifts	Value	Gifts	Value
2003	7	\$121	2	\$27	9	\$148
2004	1	\$50			1	\$50
Total	8	\$171	2	\$27	10	\$198

When interviewed, Krock either did not recall these meals or she claimed the amounts were too high. Even after reviewing the individual entries on the company expense reports for both Chevron and Shell, she continued to claim that she never violated government gift limits when dining with industry employees. Krock did recall receiving a free ticket to a Colorado Rockies game, which she thought Chevron bought for her. She could not recall when that game took place.

When we interviewed Shell's Alan Raymond, he had a vague recollection of buying Krock and Edler dinner in Houston on January 9, 2003, as reflected on his expense report.

9. RIK Revenue Specialist

An RIK revenue specialist originally began working for MMS in 1990 as an auditor. In June 2002, he became a revenue specialist in the RIK Program.

A review of ethics training files disclosed that the revenue specialist received ethics training in 2002, 2003, and 2006.

Through interviews and a review of oil and gas company expense records, we found that in 2004, the revenue specialist was listed on Chevron's expense reports three times. Two were related to a paintball game and the third was at a restaurant, all of which occurred the same day. The total estimated value of the revenue specialist's share of these expenses was approximately \$90, as follows:

	CHEVRON	
Fiscal Year	Gifts	Value
2004	3	\$90
Total	3	\$90

When interviewed, the revenue specialist recalled playing in a paintball game with Leyshon and Chevron employees. According to the revenue specialist, Leyshon invited him to the outing and he met the other participants at the paintball game location.

The revenue specialist said he did not know how much it cost for him to play paintball and he did not know who paid for his participation. He was not concerned that Chevron might have paid for his participation or that it might be considered a gift.

The revenue specialist said that if he and Leyshon had discussed the cost of the paintball, Leyshon probably told him not to worry about it or that she would pay. The revenue specialist stated that after the paintball game, the group met at a restaurant for appetizers.

DISPOSITION

This report is being referred to the Assistant Secretary for Land and Minerals for whatever action he deems appropriate.